

## **RTM Finance Committee Report**

**June 6, 2011**

**The Finance Committee met on Monday June 6, 2011 at 7:30 PM in the Town Hall Lounge. All Districts were represented. Items 2, 3, 4, 9, 10, 11, 13, & 14 were considered by the Committee.**

### **Votes:**

<b>Item 2: \$156K: Cos Cob Retaining Wall:</b>	<b>12-0-0</b>
<b>Item 3: \$6K: Gift for 2011 Citizens Policy Academy:</b>	<b>12-0-0</b>
<b>Item 4: \$87K North Mianus School Paving:</b>	<b>2-8-2</b>
<b>Item 11: Neighborhood Assistance Program:</b>	<b>12-0-0</b>

### **Labor Contracts:**

<b>Item 10: Public Service EEs &amp; SOMR:</b>	<b>12-0-0</b>
<b>Vote to reconsider:</b>	<b>11-1-0</b>
<b>Vote to Postpone to September:</b>	<b>11-1-0</b>
<b>Item 9: Silver Shield Association:</b>	<b>NO VOTE TAKEN</b>
<b>Vote on new terms of the Contract:</b>	<b>12-0-0</b>
<b>Vote to Postpone to September:</b>	<b>12-0-0</b>
<b>Item 13: GMEA Contract</b>	<b>Vote to Postpone to September:</b> <b>11-1-0</b>
<b>Item 14: LIUNA Local 136:</b>	<b>Vote to Postpone to September:</b> <b>11-1-0</b>

### **Discussion & Analysis:**

#### **Item 2: \$156K: \$155,750 appropriation for Cos Cob Retaining Wall: 12-0-0**

This Item was presented by Joe Siciliano, Director of Parks & Rec Dept. The facts are well described in the "Explanatory Comments" attached to the Call. The retaining wall is located on the Mianus River Boat & Yacht Club grounds. It runs generally west from the Ferris Dock toward Strickland Road and keeps the parking lot from washing into the Mianus River.

The existing wall is at least 40 years old. The cost of the project was estimated in 2009 but subsequent engineering inspection revealed poor anchoring qualities in the existing soil. Costs increased as a result. Costs were also adversely affected by materials inflation, and the access restrictions imposed by the DEP permit.

RFP's were sent to seven bidders and three responded. All necessary permits are in place to start repairs in the fall if this Item is approved.

**Item 3: \$6K: Gift for 2011 Citizens Policy Academy:** 12-0-0

This Item was presented by Chief David Ridberg. The facts are exactly as stated in the "Explanatory Comments". This is a gift composed of \$3k from the Silver Shield Association, \$3K from an anonymous donor through the Silver Shield and \$5500 from the Police Department operating budget. Total cost of the class, which can accommodate about 45 citizens, will be \$11,500.

**Item 4: \$87K Request for North Mianus School Paving:** 2-8-2

**Districts 5 & 10** voted yes in sympathy for the 'messenger' from the Dept of Ed.

**District 4** abstained because the Committee could make the point if two members voted yes and all others abstained.

**District 9** abstained because he was not familiar with the fact patterns and in sympathy for the 'messenger'.

Benjamin Branyan, Business Administrator for the Board of Education, presented this Item and was referred to as "the messenger" by most members of the Committee. Ben came to his current position in September 2010; he arrived well after this project was completed. In fact, the project completed before school started last fall. It is stipulated and agreed by those involved that the additional change orders associated with this expense are valid and they were necessary to finish the project.

However, the impact to the 2011 budget produces a \$20K deficit in the Capital budget and a \$67K shortage in the Operating Budget. Even though this expense was known, it was not anticipated in the 2011 budget year.

The Committee learned the BoEd or its agent approved this expense and spent the funds without seeking prior approval from the RTM. Further the Committee learned the Board did not reveal this expense to any governing authority until it did so at a May 2011 meeting with the BET. This action is a direct violation of the Town Charter and worse, it violates a specific state statute governing these transactions.

It is extremely unpleasant for the Finance Committee to learn in June 2011 that the Board of Ed was hiding this expense from us since last summer. It violates our understanding of institutional integrity and cooperation. The Committee is disappointed in the conduct of the Board.

The majority of the Finance Committee recommends this Item be rejected by the RTM and suggests the Board find the funds in its approved budget. The Committee applauds the candid report of Ben Branyan at Monday's meeting. Ben's report was honest and direct; it is unfortunate we did not hear about it eight months ago.

**Item 11: Authority for Neighborhood Assistance Act Contributions:** 12-0-0

This Item was presented by Dustin Anderson, Office of the First Selectman. The facts are reported accurately in the "Explanatory Comments". It is worth noting the business contribution amount was \$10K in 2009; it was only \$500 in 2010.

## **Labor Contracts:**

The Committee discussed the labor contract Items in the following order to accommodate the needs of the presenters: Item 10, 9, 13 and 14.

<b>Item 10: Public Service EEs LIUNA Local 136:</b>	<b>12-0-0</b>
<b>Vote to reconsider:</b>	<b>11-1-0</b>
<b>Vote to Postpone to September:</b>	<b>11-1-0</b>

This Item was presented by Nancy Kail, Board of Ed, and Al Cava, Dir of Labor Relations. This contract covers about 182 Para-professionals working in Special Education roles and eighteen security personnel associated with the schools. This unit has a total compensation of \$8M. The total cost of contract will increase 1.3% over the life of the contract. Average comp for the group is between \$17k and \$18k.

The RTM is asked to approve a Sense of the Meeting Resolution (SOMR) affirming its support for the Board of Ed's agreement with LIUNA. Following much discussion about the terms and improvements in the proposed contract highlighted by Nancy Kail and Al cave the **Committee voted to approve the SOMR by a vote of 12-0-0.**

However, after discussion of Items 9, 13 and 14, the **Committee acted on a Motion to Reconsider Item 10, which passed on a vote of 11-1-0.** District 4 voted no because while we may not like some terms in the contract, there are terms that are favorable to the Town.

The Committee returned to Item 10 after it had already considered Item 9 and was working on Item 13. The Committee worked to resolve how to move the Labor Contract Items off the agenda without compromising the negotiation position of the Town and without appearing to support the wage and salary increases we do not like and still encourage the Town to pursue assertively the pattern of concessions developing in these tentative agreements.

The Committee discussed, debated and responded to remarks from Tom Byrne, RTM Moderator, who, in essence, asked the following:

- Why should the RTM go on record approving a contract that will be deemed approved without action by the RTM? and
- How can the RTM "approve funds" through June 30, 2013? (Two years in the future)
- What are the specific conflicts between the contract and "any charter provisions, special act, ordinance, rule, or regulation of the town of Greenwich...etc"?
- Why should the RTM "approve" these contracts when such approval will be used by other bargaining units as leverage against the Town during future negotiations.

The Committee acknowledged the existence of serious questions regarding the legal order and form of the labor contract resolutions. There is also broad agreement among Committee members that the RTM should take no action that could be construed to approve a set of wage increases when it is actually voting in support of long needed employee contributions to benefit plans such as health care and long required changes in the administration of retirement programs.

The Committee is aware of the votes on all contracts by the Labor Contracts Committee. We were pleased to have Joan Caldwell and our own Jill Oberlander comment on their votes on that committee. Jill was helpful by describing the rationale behind her votes.

The Committee came to a consensus on the disposition of these Items and on motion duly made and seconded, resolved to **Postpone Item 10 until the September meeting by a vote of 11-1-0.**

The Committee took the same action on Items 9, 13 and 14 by postponing until the September RTM meeting. **The vote in each case was 11-1-0.** District 4 voted no because while we may not like some terms in the contract, there are terms that are favorable to the Town.

**Item 9: Silver Shield Association:**

**NO VOTE TAKEN**

**Vote on new terms of the Contract: 12-0-0**  
**Vote to Postpone to September: 12-0-0**

The Committee is impressed by the progress toward the rational management of benefit programs in the Silver Shield contract. This is particularly true for health care and retirement plans. The Committee formally recorded its encouragement of these trends by **vote of 12-0-0.**

**Item 13: GMEA Contract**

**Vote to Postpone to September: 11-1-0**

**Item 14: LIUNA Local 136:**

**Vote to Postpone to September: 11-1-0**